



COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Commerce and Technology, to which was referred House Bill No. 1396, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, line 14, delete "disposal" and insert "**recycling**".
- 2 Page 3, delete lines 3 through 15, begin a new paragraph and insert:
- 3 "SECTION 6. IC 9-13-2-44 IS REPEALED [EFFECTIVE JULY 1,
- 4 2015]. Sec. 44. (a) "Disposal facility" means a person, firm, limited
- 5 liability company, corporation, or other legal entity that, in the course
- 6 of business, engages in the acquisition and dismantling or demolition
- 7 of vehicles, motorcycles, semitrailers, or recreational vehicles or their
- 8 remains for the benefit of reusable components and parts or recyclable
- 9 materials:
- 10 (b) The term includes the following enterprises:
- 11 (1) An automotive salvage recycler.
- 12 (2) A hulk crusher.
- 13 (3) A scrap metal processor."
- 14 Page 4, between lines 32 and 33, begin a new paragraph and insert:
- 15 "SECTION 14. IC 9-13-2-150.3 IS ADDED TO THE INDIANA
- 16 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 17 [EFFECTIVE JULY 1, 2015]: Sec. 150.3. (a) "Recycling facility"
- 18 means a person, firm, limited liability company, corporation, or
- 19 other legal entity that, in the course of business, engages in the
- 20 acquisition and dismantling or demolition of vehicles, motorcycles,

1 semitrailers, or recreational vehicles or their remains for the
 2 benefit of reusable components and parts or recyclable materials.

3 **(b) The term includes the following enterprises:**

4 **(1) An automotive salvage recycler.**

5 **(2) A hulk crusher.**

6 **(3) A scrap metal processor that processes at least five (5)**
 7 **vehicles during a twelve (12) month period."**

8 Page 4, after line 42, begin a new paragraph and insert:

9 "SECTION 18. IC 9-22-3-4, AS AMENDED BY P.L.125-2012,
 10 SECTION 128, IS AMENDED TO READ AS FOLLOWS
 11 [EFFECTIVE JULY 1, 2015]: Sec. 4. The bureau shall issue a
 12 certificate of salvage title as proof of ownership for a salvage motor
 13 vehicle when the acquiring insurance company, ~~disposal~~ **recycling**
 14 facility, or person does the following:

15 (1) Applies for the certificate of salvage title.

16 (2) Pays the appropriate fee under IC 9-29-7.

17 (3) Surrenders the motor vehicle's original certificate of title or
 18 other proof of ownership as determined by the bureau.

19 SECTION 19. IC 9-22-3-13, AS AMENDED BY P.L.262-2013,
 20 SECTION 110, IS AMENDED TO READ AS FOLLOWS
 21 [EFFECTIVE JULY 1, 2015]: Sec. 13. A scrap metal processor or
 22 other appropriate facility that purchases or acquires a salvage motor
 23 vehicle that has been totally demolished or destroyed as a result of
 24 normal processing performed by a ~~disposal~~ **recycling** facility is not
 25 required to apply for and receive a certificate of salvage title for the
 26 vehicle. The facility or processor that performed the processing that
 27 resulted in the vehicle being demolished or destroyed shall surrender
 28 the certificate of title, the certificate of authority, or the certificate of
 29 salvage title to the bureau.

30 SECTION 20. IC 9-22-3-19, AS AMENDED BY P.L.92-2013,
 31 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2015]: Sec. 19. (a) The secretary of state shall prescribe
 33 recordkeeping forms to be used by:

34 (1) a ~~disposal~~ **recycling** facility;

35 (2) an automotive salvage rebuilder; and

36 (3) a used parts dealer licensed under IC 9-32-9;

37 to preserve information about salvage vehicles or major component
 38 parts acquired or sold by the business.

39 (b) The recordkeeping forms required under subsection (a) must
 40 contain the following information:

41 (1) For each new or used vehicle acquired or disposed of or for
 42 the major component parts of a new or used vehicle, the

- 1 following:
- 2 (A) A description of the vehicle or major component part,
- 3 including numbers or other marks identifying the vehicle or
- 4 major component part.
- 5 (B) The date the vehicle or major component part was
- 6 acquired and disposed of.
- 7 (C) The name and address of the person from whom the
- 8 vehicle or major component part was acquired.
- 9 (D) Verification of the purchaser of the vehicle or major
- 10 component part by driver's license, state identification card, or
- 11 other reliable means.
- 12 (2) For motor vehicles acquired or disposed of, in addition to the
- 13 information required by subdivision (1), the following:
- 14 (A) The vehicle's trade name.
- 15 (B) The vehicle's manufacturer.
- 16 (C) The vehicle's type.
- 17 (D) The model year and vehicle identification number.
- 18 (E) A statement of whether any number has been defaced,
- 19 destroyed, or changed.
- 20 (3) For wrecked, dismantled, or rebuilt vehicles, the date the
- 21 vehicle was dismantled or rebuilt.
- 22 (c) Separate records for each vehicle or major component part must
- 23 be maintained.
- 24 (d) The recordkeeping requirements of this section do not apply to
- 25 hulk crushers or to scrap metal processors when purchasing scrap from
- 26 a person who is licensed under IC 9-32-9 and who is required to keep
- 27 records under this section.
- 28 SECTION 21. IC 9-22-3-22, AS AMENDED BY P.L.92-2013,
- 29 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 30 JULY 1, 2015]: Sec. 22. (a) This section applies to vehicles and their
- 31 component parts that are in either their current model year or in the
- 32 immediately preceding six (6) model years when purchased by a
- 33 ~~disposal~~ **recycling** facility or automotive salvage rebuilder.
- 34 (b) A ~~disposal~~ **recycling** facility and automotive salvage rebuilder
- 35 licensed under IC 9-32-9 must complete the recordkeeping forms
- 36 developed under section 19 of this chapter for the purchase of a salvage
- 37 motor vehicle or major component part.
- 38 SECTION 22. IC 9-22-3-24, AS AMENDED BY P.L.93-2010,
- 39 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 40 JULY 1, 2015]: Sec. 24. The secretary of state, a police officer, or an
- 41 agent of the secretary of state or a police officer may enter upon the
- 42 premises of a ~~disposal~~ **recycling** facility, insurance company, or other

business dealing in salvage vehicles during normal business hours to inspect a motor vehicle, semitrailer, recreational vehicle, major component part, records, certificate of title, and other ownership documents to determine compliance with this chapter.

SECTION 23. IC 9-22-3-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 26. A court may issue a warrant to search the premises of an automotive salvage rebuilder, an automotive salvage recycler, a ~~disposal~~ **recycling** facility, or a used parts dealer for any major component parts being possessed, kept, sold, bartered, given away, used, or transported in violation of this chapter.

SECTION 24. IC 9-22-3-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 35. The prosecution of a ~~disposal~~ **recycling** facility, automotive salvage rebuilder, insurance company, or individual suspected of having violated this section may be instituted by the filing of an information or indictment in the same manner as other criminal cases are commenced.

SECTION 25. IC 9-22-5-18.2, AS AMENDED BY P.L.217-2014, SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 18.2. (a) A ~~disposal~~ **recycling** facility, a scrap metal processor, or an agent of a ~~disposal~~ **recycling** facility or scrap metal processor may purchase a motor vehicle without a certificate of title for the motor vehicle if:

- (1) the motor vehicle is at least fifteen (15) model years old;
- (2) the purchase is solely for the purpose of dismantling or wrecking the motor vehicle for the recovery of scrap metal or the sale of parts; and
- (3) the ~~disposal~~ **recycling** facility or scrap metal processor records all purchase transactions of vehicles as required in subsection (b).

(b) A ~~disposal~~ **recycling** facility or scrap metal processor shall maintain the following information with respect to each motor vehicle purchase transaction to which the ~~disposal~~ **recycling** facility or scrap metal processor is a party for at least two (2) years following the date of the purchase transaction:

- (1) The name and address of any secondary metals recycler or salvage yard.
- (2) The name, initials, or other identifying symbol of the person entering the information.
- (3) The date of the purchase transaction.
- (4) A description of the motor vehicle that is the subject of the purchase transaction, including the make and model of the motor vehicle, if practicable.

- (5) The vehicle identification number of the motor vehicle.
- (6) The amount of consideration given for the motor vehicle.
- (7) A written statement signed by the seller or the seller's agent certifying that the seller or the seller's agent has the lawful right to sell and dispose of the motor vehicle.
- (8) The name and address of the person from whom the motor vehicle is being purchased.
- (9) A photocopy or electronic scan of one (1) of the following forms of identification issued to the seller or the seller's agent:
 - (A) A current and valid driver's license.
 - (B) An identification card issued under IC 9-24-16-1 or a similar card issued under the laws of another state or the federal government.
 - (C) A government issued document bearing an image of the seller or seller's agent, as applicable.

For purposes of complying with this subdivision, a ~~disposal~~ **recycling** facility or scrap metal processor is not required to make a separate copy of the seller's or seller's agent's identification for each purchase transaction involving the seller or seller's agent but may instead refer to a copy maintained in reference to a particular purchase transaction.

(c) A ~~disposal~~ **recycling** facility or scrap metal processor may not complete a purchase transaction in the absence of the information required under subsection (b)(9).

(d) A ~~disposal~~ **recycling** facility, a scrap metal processor, or an agent of a ~~disposal~~ **recycling** facility or scrap metal processor that knowingly or intentionally buys a motor vehicle that is less than fifteen (15) model years old without a certificate of title for the motor vehicle commits a Level 6 felony."

Page 13, between lines 29 and 30, begin a new paragraph and insert:

"SECTION 52. IC 9-32-9-1, AS AMENDED BY P.L.217-2014, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) A ~~disposal~~ **recycling** facility, a used parts dealer, or an automotive salvage rebuilder must be licensed by the secretary under this chapter before the facility, dealer, or rebuilder may do any of the following:

- (1) Sell a used major component part of a vehicle.
- (2) Wreck or dismantle a vehicle for resale of the major component parts of the vehicle.
- (3) Rebuild a wrecked or dismantled vehicle.
- (4) Possess more than two (2) inoperable vehicles subject to registration for more than thirty (30) days unless the facility,

dealer, or rebuilder holds a mechanic's lien on each vehicle over the quantity of two (2).

(5) Engage in the business of storing, disposing, salvaging, or recycling of vehicles, vehicle hulks, or parts of vehicles.

(b) A person who violates this section commits a Class A infraction."

Page 13, line 32, strike "disposal" and insert "**recycling**".

Page 13, line 38, strike "disposal" and insert "**recycling**".

Page 14, line 36, after "report" insert "**the purchase of a vehicle**".

Page 14, line 37, delete "when a" and insert "**not later than thirty (30) days after the**".

Page 14, line 37, delete "has been" and insert "**is**".

Page 16, between lines 23 and 24, begin a new paragraph and insert:

"SECTION 63. IC 9-32-9-11, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11. If the secretary receives a written complaint from a local zoning body that a ~~disposal~~ **recycling** facility or automotive salvage rebuilder, subject to this chapter, is operating in violation of a local zoning ordinance, the secretary shall delay the issuance or renewal of the facility's or rebuilder's license under this chapter until the local zoning complaints have been satisfied."

Page 27, between lines 4 and 5, begin a new paragraph and insert:

"SECTION 79. IC 13-20-25-10, AS ADDED BY P.L.126-2014, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 10. (a) A person:

(1) who:

(A) is not required to submit a recycling activity report under section 9 of this chapter; but

(B) recycled recyclable materials during a fiscal year;

(2) who:

(A) meets the definition of "scrap metal processing facility" set forth in IC 8-23-1-36;

(B) meets the definition of "automotive salvage recycler" set forth in IC 9-13-2-10;

(C) meets the definition of ~~"disposal"~~ **"recycling"** facility" set forth in ~~IC 9-13-2-44~~; **IC 9-13-2-150.3**;

(D) is engaged in business subject to IC 9-22-3;

(E) meets the definition of "automotive salvage rebuilder" set forth in IC 9-32-2-5;

(F) meets the definition of "scrap metal processor" set forth in IC 13-11-2-196.5;

(G) meets the definition of "core buyer" set forth in

1 IC 25-37.5-1-0.2; or
 2 (H) meets the definition of "valuable metal dealer" set forth in
 3 IC 25-37.5-1-1(b); or
 4 (3) who:
 5 (A) is not required to submit a recycling activity report under
 6 section 9 of this chapter; but
 7 (B) took action during a fiscal year to recover, from the solid
 8 waste stream, for purposes of:
 9 (i) use or reuse;
 10 (ii) conversion into raw materials; or
 11 (iii) use in the production of new products;
 12 materials that were not municipal waste;
 13 may voluntarily submit a recycling activity report to the commissioner
 14 concerning the person's recycling activity during the fiscal year.
 15 (b) The commissioner shall include information reported to the
 16 commissioner under this section in the annual reports that the
 17 commissioner is required to submit under section 14 of this chapter."
 18 Page 29, after line 40, begin a new paragraph and insert:
 19 "SECTION 81. IC 25-37.5-1-0.4, AS ADDED BY P.L.224-2013,
 20 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2015]: Sec. 0.4. As used in this chapter, "disposal facility" has
 22 the meaning set forth for "recycling facility" in ~~IC 9-13-2-44.~~
 23 **IC 9-13-2-150.3.**
 24 Renumber all SECTIONS consecutively.
 (Reference is to HB 1396 as printed January 30, 2015.)

and when so amended that said bill do pass .

Committee Vote: Yeas 6, Nays 0.

Senator Buck, Chairperson